

The Market and the Mines

It may have been inside information of an insurrection in the domain of the Silver King that caused the price of the royal shares to slump from \$60 to \$33 two weeks ago. At any rate the insurrection has arrived, and, rightly or otherwise, it is credited with responsibility for all the vicissitudes of the King's exchequer. The occurrence took place last Friday afternoon, when the Magnolia-St. Louis Mining company brought suit against the Silver King, President Thomas Kearns and Vice President David Keith, in the United States district court, for \$900,000. It was alleged that the King had trespassed on Magnolia ground and extracted \$300,000 worth of ore. As the law of Utah allows treble compensation for ore taken from under the owner's feet, as it were, the claim was made for nearly a million.

It has been expected for some time that the Magnolia would bring its grievances into court, but the public has had a very vague idea as to the scope of the allegations. Even now, with the papers on file, the mystery lingers. According to a statement by Vice President Keith, the dispute is simply an apex controversy. He announces through the press that the ore taken by the King from the Magnolia-St. Louis was a part of a vein which apexes on Silver King ground and dips into the territory of the plaintiff company. Information from the other side indicates that the real purpose of the suit is to secure an underground survey which will disclose the full extent of the operations by the defendant in the Magnolia.

The Magnolia-St. Louis is another name for James McGregor. Mr. McGregor owns nearly 500 acres in the vicinity of the Silver King. He does not undertake to say that this ground contains much rich ore, for he has never mined for it. But what he lacks in knowledge he makes up in belief—a belief based on the numerous attempts of the Silver King people to buy him out. He is said to have been offered \$600,000 for his holdings. He did not refuse this offer, but declined to accept it until he should be permitted to see just what the miners of the King had uncovered in his ground. During the coming trial he is expected to tell of numberless difficulties encountered while trying to make an examination of the sudden failure of the air supply when he and his expert became too inquisitive, and a discovery which, if proved, will overturn the apex theory—that the King crosscut from its sidelines on the 700 level to reach the vein in the Magnolia and cut the ledge almost at right angles. No claim will be made that these incidents are conclusive, but they will be relied upon, it is said, to convince the court

that there is reason for demanding and for granting a thorough examination. It is already hinted that the Magnolia-St. Louis action will be followed by proceedings to establish the relationship between the underground workings of the Silver King and McGregor's other claims.

The filing of the Magnolia-St. Louis suit awakens new interest in the negotiations which have been on for the sale of a controlling interest in the Silver King to Thomas F. Cole and associates. Mr. Cole has made a reputation as a settler of suits in Montana, and he may not object in the least to a new spring suit in Utah.

D. H. Peery has returned to Nevada. The rest of the Sagebrush State will be speedily annexed by other Salt Lakers, including William Armstrong, who started this week for Ely with a fat check book and a look of determination in his eye. N. B.—The check book is not in his eye. He will not, it is said, limit his foray to mines, but will take a flyer in any sort of enterprise that looks good to him. Before turning backward he will look after all of his Nevada interests, including the Zanzibar at Manhattan.

Nevada still has its dally rush. The week has produced excitements at Seven Troughs, near Lovelock, and several points that cannot even boast the dignity of a name. At Round Mountain, Salt Lake is represented by A. L. Simondi, once deputy city recorder. In fact, there has been more excitement than the state would hold, and some of it has run over into Utah, Cedar Basin being the favored locality. The report came from Kingman, Ariz., and was to the effect that a stampede had begun from St. George and Muddy Valley, Nev., to placer fields east of the Virgin mountains, and north of Iceberg canyon.

The manner in which Utah men are taking Nevada properties by the forelock is prophetic of a day when the Salt Lake Mining Exchange will be the hub of speculation in gold and silver as well as in copper stocks. The one thing needed to make this probability a certainty is quick communication with the new camps, and this will be afforded by Gould's new road. Little imagination is needed to see Salt Lake setting the value on mining stocks as Liverpool makes the price on cotton and Chicago on grain.

The week that closed Wednesday night witnessed the transfer of 294,200 shares of stock for a total consideration of \$186,945.12, an average not far from \$1 a share. The ore and bullion settlements amounted to \$354,000. The last few ses-

sions of the board have afforded the spiciest kind of vaudeville. Every turn was a surprise to someone. Among the most popular "Climbing up the Golden Stair," by New York Bonanza. Trading in this share became really sensational on Wednesday, when 27,000 shares changed hands and the price soared from 24½ to 37 cents. New York's rise is founded on fact, the fact being the opening of the contact on the 700 level. The ore found is rich, but the size of the body has not been definitely determined. At the beginning of the week New York was 21½ and it closed at 35½.

Making money in Beck Tunnel has been like depriving an infant of its sweetmeats. For weeks this stock has been the one genuine, blown-in-the-bottle, unadulterated snap on the list. It opened at \$1 even, and when it became known that the dividend was to be increased to 2½ cents, or \$25,000 a month, it quickly shot up to \$1.33. Another performer with a rabbit's foot is Daly-Judge, whose president is said to be coquetting with a representative of the Guggenheims at Los Angeles. Judge began business at \$10.92½ and closed at \$12. The purchaser of May Day always gets a guess for his money, and the individual who sells it short gets two guesses. Some of them got three or more this week, when, in spite of the bear operations, the stock stood steady around 29 cents. Matters began to look serious, but on Wednesday the shorts succeeded in breaking the price to 27. Manager Darmer's report afforded no definite assurance of profits, but did show excellent indications in the lower levels. Sales of ore during the year have brought in about \$25,000 and the expenditures, chiefly for labor, have been \$55,000. Thirty thousand dollars has been realized by means of assessments and there is a balance of \$2,669.58 in the treasury.

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